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REPORT OF THE 3RD ANNUAL ECE-EUROSTAT-OECD JOINT PROGRAMME REVIEW

Prepared by OECD

INTRODUCTION

1. The third annual Joint Programme Review meeting was hosted by the OECD on 1 October 1993 and attended by representatives of Eurostat and the Statistical Division of the ECE. The purpose of this series of reviews is to discuss issues, resolve problems and note progress made during the preceding year rather than a general review of the programmes of the three organisations. The agenda focused on policy, rather than technical issues.

2. The Joint Programme Review has evolved into a continuous procedure, with consultations continuing throughout the year in virtually all areas of activity. The process culminates in the annual meeting at which problems and issues that have not been resolved during the year can be addressed at the highest levels in the three organisations.

PROGRESS

3. Several activities were reviewed quickly and noted as examples of constructive and effective co-operation and co-ordination among the organisations.

4. The 1993/1994 round of the **European Comparison Programme** is being organised by the Austrian Central Statistical Office (ACSO), Statistics Finland, Eurostat and the OECD. ECE is also a member of the joint venture and was finalising the report of ECP 1990. Additional finance and assistance are provided by the World

Bank. Eurostat and the OECD are responsible for the west European countries (the Eurostat-OECD PPP Programme). They are also working together on a comparison covering Turkey and eight countries of the former Soviet Union. By the time of the 1994 plenary session, seven workshops will have been held for different combinations of these countries in various locations.

5. It was clear from the outset that the development of needed, new **science and technology indicators** was beyond the resources of any one international organisation and that the result would be of equal interest to policy analysts at OECD and in the European Commission. OECD and Eurostat worked together to prepare a list of recommended questions on industrial innovation for inclusion in national surveys. They then set out to design a set of indicators to be established on the bases of the round of national surveys being organised by Eurostat and of experience in other OECD countries. The first version of a manual on measuring human resources for science and technology was drafted as a joint exercise by the two secretariats in line with comments at an OECD workshop in 1992 and the results of an inventory of available data undertaken by Eurostat. This was discussed at a second Workshop held at OECD.

6. A joint Eurostat-OECD questionnaire on **foreign direct investments** statistics has been approved by the Eurostat Working Party on Balance of Payments and by the OECD Group of Financial Statisticians. The first questionnaire was sent to the 24 OECD countries at the beginning of 1993 to collect data related to 1992. Replies went simultaneously to the two organisations. The questionnaire is based on the methodology of the OECD Benchmark Definition of Foreign Direct Investment and of the IMF Balance of Payments Manual.

7. An **agricultural statistics** seminar planned for early 1994 in Minsk was being jointly organised by the OECD, ECE, FAO and Eurostat, through the Inter-secretariat Working Group on Agriculture. Co-operation on the SNA, not only in developing the revised SNA, but also on co-ordinating implementation, and on short-term indicators for the countries of central and eastern Europe were also cited as areas where the organisations are working well together.

8. Eurostat's demonstrated readiness to permit **PHARE funds** to be used to enable representatives of selected Central and Eastern European countries to participate in meetings convened by the CES was cited as a good example of excellent co-operation and co-ordination between ECE and Eurostat.

9. It was further noted that the **co-ordination process** itself is working quite well. While there is room for further progress, it is becoming the norm that no step is taken without consultation among the organisations. It was also noted that successful co-ordination does not necessarily assure a successful outcome of the project.

DUPLICATION OF DATA COLLECTION

10. The general issue of duplication in data collection was considered. OECD, Eurostat and ECE affirmed their desire to avoid unnecessary duplication in collection of statistical information, since failure to do so increases the burden on member countries. In addition, there is the question of the efficient use of the resources of international organisations.

11. The three organizations strongly supported the principle of using joint questionnaires, and agreed that all organizations must be prepared to provide a good justification for not using them. They noted that the greater use of common questionnaires need not necessarily lead to centralisation of reporting in one organisation. It is important that each organisation keep direct working relationships with member countries. These are essential because of differences in work schedules, which call for rapid and if possible direct access; evolving needs depending on policy priorities of governing bodies; and quality control.

INDUSTRIAL STATISTICS

12. While it was agreed that for EEA countries the use of a common questionnaire based on NACE 1 was a desirable objective, participants felt that problems associated with the implementation of ISIC Rev. 3 should be solved as quickly as possible. For OECD, recommendations regarding the harmonisation and use of common questionnaires must be endorsed by the Industry Committee Working Party on Industrial statistics. Nevertheless, it was agreed that every effort should be made to coordinate timing. Moreover, in cases where the due dates differ, each organisation should refer the matter to its users to determine whether a different deadline should be used in common with other organisations so as to avoid the necessity of having separate questionnaires.

13. The EC is moving toward simplification and harmonisation. The OECD can provide helpful user insight and should be more involved in these plans than it now is.

14. This is a complex problem that cannot be solved quickly. Technical discussions are continuing among interested organisations to provide a means for working together and with users.

DATABASE ON TRANSITION ECONOMIES

15. This is an area where there is scope for greater co-operation among the organisations to minimise reporting burden on countries. An agreement reached in 1991 between ECE and OECD on short-term economic indicators to be collected from transition economies needed reconsideration in view of changing activities in both organisations. It seemed possible to align the data sets and a division of labour along geographical lines seemed feasible. The common desire is to avoid completely independent actions; to be able to explain, when data collections do differ, why it is necessary; and to continue to address the broader question of undue reporting burden. Technical experts from interested organisations are holding follow-up consultations.

16. Eurostat was undertaking an assessment of user needs in the EC for data on countries in transition. Eurostat then would see what was already available in other organisations and determine the best strategy to complement existing data. The ECE's offer to assist in any further data collection that might be necessary

was accepted and Eurostat sought the co-operation of the other organisations in compiling the inventory.

17. It was decided to organise a small meeting to avoid duplication. The IMF, which especially collects data in fields of interest, and the World Bank will be kept involved. It was noted that the countries in transition have been very co-operative in supplying data, but it was agreed that the international agencies should take care not to abuse their generosity.

HOUSING STATISTICS

18. Historically, there have been no problems in this area, as ECE has been the only active player. In 1992, a problem appeared when member states referred to a planned new publication of the EC Commission (not Eurostat). It appeared that the material would substantially overlap with an ECE publication. The ECE was willing to consider joint publication and wished Eurostat to serve as intermediary.

19. The EC has an internal co-ordination mechanism providing for all statistical activities to be cleared with Eurostat, but occasionally the process fails. Eurostat agreed to co-ordinate with DG5 to solve this problem. Tri-lateral meetings should then take place. (The first one took place in December 1993, and at that meeting it was decided that Eurostat would take over producing the publication from DG5).

NATIONAL ACCOUNTS

20. The OECD and Eurostat already employ a joint questionnaire for the main aggregates and envisaged a joint questionnaire at the detailed level. Machinery to co-ordinate its development needed to be initiated. A meeting of the OECD secretariat and Eurostat was to be organised as soon as possible for this purpose.

21. On the related issue of technical assistance for countries in transition in implementation of the revised SNA, it was agreed that a priority was to convene the Inter-Secretariat Working Group on National Accounts to prepare plans for this work.

ENVIRONMENT STATISTICS

22. Overall, there was judged to be good co-ordination in this area, but the time was considered ripe for more action. The ECE reminded the group that its work in some areas, including some in environment statistics, had been suspended until vacancy problems were resolved. It was not yet clear within the EC how the European Environment Agency (EEA) would evolve; however, Eurostat will ensure co-operation.

23. Environment accounting remains on the list of future SNA work. Consensus has not yet been reached; there is only agreement that there are outstanding issues on national accounts.

AGRICULTURAL STATISTICS

24. A related question was the strong demand for indicators on the interface between environment and agriculture. An OECD joint working party had been created recently, reflecting the work of two committees. A conceptual framework has been created and OECD is currently looking at indicators for individual countries. Co-operation would be welcome. The three organisations should move collectively in this area. Forestry statistics remain the specialty of the ECE/FAO Agriculture and Timber Division.

25. A joint ECE-Eurostat-FAO-OECD work session on environmentally-related agricultural problems was discussed. (A proposal to organize a joint workshop in this field for transition countries was made to the Bureau at its October 1993 meeting. It endorsed the idea, and the workshop will be held in Minsk in April 1994).

FOREIGN TRADE STATISTICS

26. The introduction of the single market in the EC and the subsequent replacement of trade data collected at customs stations by INTRASTAT creates discontinuities and other problems in statistics on international trade. Because of this, definitive figures on international trade for EC countries will be available only from Eurostat from the beginning of 1993. Final figures for 1993 likely will not be available before mid-1994. It was suggested that Eurostat might then supply data to UNSTAT (for COMTRADE) and other interested organisations.

MEETINGS

27. As the calendars of all three organisations were at a provisional stage, it was difficult to perform detailed comparisons. A possible problem on employment meetings in September 1994 was noted (the OECD Working Party and a Eurostat meeting).

28. It was agreed that the meetings calendars form a good tool. Work must be continued to identify areas where there were potential duplications. One person in each organisation should have responsibility for scrutiny. It was noted that apparent duplication would be flagged by member countries and that, if appropriate, it should be possible to state why more than one meeting is needed.

VIEWS OF THE BUREAU ON THE JPR MEETING

29. The report of the Joint Programme Review (JPR) meeting was reviewed by the Bureau at its October 1993 meeting. The section of the minutes of its meeting relating to the JPR meeting is reproduced as an Annex of this document.

Annex

Views of the Bureau on its review of the report of the Joint Programme Review (JPR) meeting

1. The Bureau noted with satisfaction the general improvement in the coordination of the statistical work of the three organizations which was reflected in the report of the meeting.

2. Industrial statistics were identified as an area where further improvements in coordination is required. In addition, the overall coordination among international organizations with respect to data collection activities in selected fields was also considered in need of improvement (e.g. population statistics collected by UNSTAT and Eurostat).

3. The Bureau agreed that international organizations should aim to develop an integrated questionnaire for collecting macro-economic statistics from the transition countries, and report back to the Bureau within the next year.

4. The Bureau asked that OECD and Eurostat, as they collaborate on the transition to full implementation to ISIC Rev.3 and NACE, ensure that they do not duplicate the work of the Task Force on Industrial Statistics set up by the Statistical Commission.

5. The Bureau felt that the section of the report of the Joint Programme Review meeting dealing with green national accounts was too pessimistic, for it did not reflect the most recent developments which suggest that some national accountants have become more interested in taking up this work. In order to promote more rapid progress, the Bureau agreed that it would be useful for interested countries to set up a national accounts based Voorburg- type group under the umbrella of the Conference to work on the development of green accounts. The Group would report regularly to the Conference on its plans and on the results achieved. Statistics Canada offered to chair the Group. It was agreed that in addition to interested countries (such as the United Kingdom and the United States who have already expressed interest in participating), Eurostat, OECD and UNSTAT should participate actively in the work of the Group. It was stressed that, in the spirit of the original Voorburg group, membership would be limited to participants who would play an active part.

6. The Bureau considered the demarcations were not sufficiently clear between what ECE, Eurostat, OECD and UNSTAT are each doing in the field of environment statistics, nor is it clear whether their work programmes are sufficiently coordinated. It agreed that this should become clearer in the integrated presentation of the work programmes that will be prepared for future plenary sessions.

7. It was suggested that the reports of future JPR meetings would be clearer if they were structured as follows: i) activities that were discussed; ii)

issues that arose in the discussion; iii) proposed solutions to the issues, if any; and iv) proposed follow-up action.